MINUTES OF THE HOUSE REVENUE AND TAXATION STANDING COMMITTEE

Room 135 - State Capitol Building Complex

January 21, 2005

MEMBERS PRESENT: Rep. Wayne A. Harper, Chair

Rep. Glen A. Donnelson, Vice Chair

Rep. Sheryl L. Allen Rep. Craig A. Frank Rep. Fred R. Hunsaker Rep. Bradley G. Last Rep. Rebecca Lockhart Rep. Joseph Murray Rep. Merlynn T. Newbold Rep. Patrick L. Painter Rep. Gordon E. Snow Rep. Tim M. Cosgrove

Rep. Roz McGee

Rep. Carol Spackman Moss

Rep. Ross I. Romero

MEMBERS ABSENT:

STAFF: Bryant Howe, Assistant Director

Crystal Hermanson, Secretary

Note: A list of visitors and a copy of handouts are filed with the committee minutes.

Rep. Donnelson called the meeting to order at 8:41 a.m.

H.B. 171 Calculation of Mining Severance Tax on Beryllium (Rep. R. Wheeler)

Rep. Wheeler introduced the bill and explained its intent with the assistance of Mark Buchi, Law Firm of Holme, Roberts, and Owens. Bruce Johnson, Utah State Tax Commission spoke to the bill. Tom Bingham, Utah Manufacturing Association and David Litvin, Utah Mining Association, spoke for the bill.

MOTION: Rep. Painter moved to pass the bill out favorably. The motion passed with Rep. McGee and Rep. Moss voting against the motion. Rep. Allen and Rep. Last were absent for the vote.

H.R. 2 Resolution Supporting Permanent Repeal of Federal Inheritance Tax (Rep. M. Morley)

Rep. Morley introduced the bill and explained its intent. Ron Casper, Utah Chapter of the National Federation of Independent Businesses spoke for the resolution. Sara Wilhelm, Utah Issues, spoke against the resolution. Todd Bingham, Utah Farm Bureau, spoke to the bill.

MOTION: Rep. Frank moved to pass the bill out favorably.

SUBSTITUTE

MOTION: Rep. McGee moved to amend the bill as follows:

```
Page 1, line 15: delete "death" before "tax". Page 1, line 20: after "Tax" delete ", or" Page 1, line 21: delete "death tax," Page 1, line 24: after "the" delete "death" Page 1, line 27: after "pay" delete "death" Page 2, line 28: after "if the" delete "death" Page 2, line 32: after "of the" delete "death" Page 2, line 25: after "of the" delete "death"
```

The substitute motion to amend the bill failed with Rep. Cosgrove, Rep. McGee, Rep. Moss, and Rep. Romero voting in favor of the motion. Rep. Allen and Rep. Last were absent for the vote.

The original motion to pass the bill out favorably passed, with Rep. Cosgrove, Rep. McGee, Rep. Moss, and Rep. Romero voting in opposition to the motion. Rep. Allen and Rep. Last were absent for the vote.

H.B. 190 Individual Income Tax - Electronic Filing Requirements (Rep. S. Clark)

Rep. Clark introduced the bill and explained its intent with the assistance of Rod Marelli, Executive Director, Utah State Tax Commission. Rep. Newbold commented on the bill and noted a conflict of interest.

MOTION: Rep. Murray moved to pass the bill out favorably. The motion passed with Rep. Newbold, Rep. Snow, Rep. Painter, and Rep. Donnelson voting in opposition to the motion. Rep. Allen and Rep. Last were absent for the vote.

H.B. 9 Sales and Use Tax - Agricultural Exemption Vehicle Limitation (Rep. R. Menlove)

MOTION: Rep. Snow moved to amend the bill as follows:

- 1. Page 1, Lines 12 through 14:
 - amends a sales and use tax exemption relating to certain tangible personal property
 - used in agriculture to provide that a vehicle is not included under the exemption if
 - 14 the vehicle is **required to be** registered; and
- 2. Page 7, Lines 197 through 199:
 - 197 © [any] <u>a</u> vehicle required to be registered $\{+\}$ by the laws of this state $[\{+\}]$, without regard to
 - the use to which the vehicle is put [in accordance with Title 41, Chapter 1a, Part 2,
 - 199 Registration during the period ending two years after the date of the vehicle's purchase; or

The motion to amend the bill passed unanimously, with Rep. Allen and Rep. Last absent for the vote.

Rep. Menlove introduced the amended bill and explained its intent with the assistance of Todd Bingham, Utah Farm Bureau. Lynn Solarczyk, Utah State Tax Commission, spoke to the bill.

MOTION: Rep. Hunsaker moved to pass the bill out favorably. The motion passed unanimously.

MOTION: Rep. Frank moved moved to adjourn. The motion passed unanimously with Rep. Allen and Rep. Last absent for the vote.

The Chair adjourned the meeting at 9:55 a.m.

Rep. Wayne A. Harper, Chair